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Office of the  
Legislative Fiscal Analyst

## **FY 2005 Budget Recommendations**

Joint Appropriations Subcommittee for  
Health and Human Services

Utah Department of Human Services  
**Division of Child and Family Services**

### Contents:

- 1.0 Summary
- 2.0 Issues
- 3.0 Programs
- 4.0 Additional Information



## **1.0 Department of Human Services – Division of Child and Family Services (DCFS)**

### **Summary**

State statute (62A-4a-103) states that “the division is the child, youth, and family services authority of the state” and defines the primary purpose as providing child welfare services. The Division shall also, “when possible and appropriate, provide preventive services and family preservation services....” Furthermore, the Division shall “provide domestic violence services in accordance with federal law.” By statute, the Division must provide child abuse prevention services, child protective services, shelter care, foster care, residential care, adoption, health care for children in DCFS custody, family preservation, protective supervision, independent living, and domestic violence preventive services.

### **Financial Summary**

The Fiscal Analyst recommends an FY 2005 appropriation for DCFS totaling approximately \$127.3 million, including \$62.8 million from the General Fund. The majority of the balance is from the federal Title IVE Child Welfare program and from Medicaid transfers. The Analyst’s recommendation includes the transfer of 9.5 FTEs and \$445,500 (\$356,800 General Fund) to the Executive Director’s Office for the Human Resources staff consolidation.

	<b>Analyst FY 2005 Base</b>	<b>Analyst FY 2005 Changes</b>	<b>Analyst FY 2005 Total</b>
<b>Financing</b>			
General Fund	\$63,182,200	(\$356,800)	\$62,825,400
Federal Funds	44,859,300	(88,700)	44,770,600
Dedicated Credits Revenue	1,401,600		1,401,600
GFR - Children's Trust	350,000	50,000	400,000
GFR - Domestic Violence	650,000	50,000	700,000
Transfers - H - Medical Assistance	16,892,100		16,892,100
Transfers - Other Agencies	105,000		105,000
Beginning Nonlapsing	238,700		238,700
<b>Total</b>	<b>\$127,678,900</b>	<b>(\$345,500)</b>	<b>\$127,333,400</b>
<b>Programs</b>			
Administration	\$3,352,200	(\$28,500)	\$3,323,700
Service Delivery	58,427,100	(417,000)	58,010,100
In-Home Services	1,925,700		1,925,700
Out-of-Home Care	28,921,400		28,921,400
Facility Based Services	3,582,200		3,582,200
Minor Grants	4,644,900		4,644,900
Selected Programs	3,563,000		3,563,000
Special Needs	1,752,300		1,752,300
Domestic Violence Services	5,064,800	50,000	5,114,800
Children's Trust Fund	350,000	50,000	400,000
Adoption Assistance	11,276,100		11,276,100
Child Welfare Management Information S	4,819,200		4,819,200
<b>Total</b>	<b>\$127,678,900</b>	<b>(\$345,500)</b>	<b>\$127,333,400</b>
<b>FTE/Other</b>			
Total FTE	1,079.9	(9.5)	1,070.3
Vehicles	189	0	189

## **2.0 Issues: Division of Child and Family Services**

### **2.1 Previous Budget Reductions**

Compared with the original FY 2002 appropriation, the DCFS budget for FY 2004 has seen its General Fund reduced by approximately \$4 million in administrative and program reductions. This is about 6 percent below the original FY 2002 appropriated budget. However, \$2.9 million of that amount were replaced by redirected Social Services block grant funds. Also, the Division transferred \$1.2 million (\$795,600 General Fund) for the Youth Services Program to the Division of Youth Corrections. Last year, the Legislature appropriated approximately \$3 million (\$1.9 million General Fund) for additional caseworkers and trainers. The total FY 2004 appropriated budget (all funds) is only down by about \$600,000 from the original FY 2002 appropriation. See Additional Information Section 4.1 in this report for a five year budget history.

### **2.2 DCFS and the Court Settlement**

The David C. Settlement agreement expired in 1998, and a new Performance Milestone Plan was agreed upon with the plaintiff, the Court and the State. The Division must report compliance with the plan through the court appointed monitor, Paul Vincent, CEO of the Child Welfare Policy and Practice Group of Montgomery, Alabama.

In November 2002, the Court, recognizing limited resources of the State, ordered the parties involved to renegotiate a new “trimmed-down” child welfare plan and to provide the Court with a list of resources needed to assure compliance. The 2003 Legislature provided funds for an additional 51 caseworkers and trainers, which have now been hired. The State continues to meet with the judge and the plaintiffs. On December 8, 2003, the judge requested DCFS within two years to either complete the items in the Milestone Plan, with any agreed stipulations for trimming the plan, or to bring reasons why it is not possible. Stipulations for trimming the Plan are to be submitted to the judge within five months. Another status conference is set for June, 2004.

### **2.3 Federal Match Rate**

The Federal Medical Assistance Payments (FMAP) match rate changes from 71.60 percent to 72.01 percent effectively for State Fiscal Year 2005. The State share is decreased from 28.4 percent to 27.99 percent. This is the third year in a row that the required state match has actually been reduced. In earlier years the federal match has typically been declining and the State has had to pick up the required increase in state match to maintain the same level of services. For FY 2005, this rate change will realize a projected savings to DCFS of \$163,500 (General Funds).

## **2.4 Additional DCFS Staff Hired**

Last year the Legislature appropriated \$1.9 million in additional state funds to DCFS for 51 additional caseworkers and trainers. To date, all have been hired by the Division and will complete the mentoring portion of their training period by next summer, when they are expected to carry a full caseload.

## **2.5 Out of Home Services Needs**

The Division has identified additional funding need of \$578,500 (\$336,700 General Fund) in “Out of Home Services” for a growing number of children in service projected for FY 2005. The Analyst recommends the Legislature consider this critical need as funds become available.

## **2.6 Adoption Services Needs**

As the number of children being adopted from State custody grows, additional funds are needed to provide the adoption services and subsidies required. Another 330 such adoptions are anticipated for FY 2005. The Analyst recommends that, if funds become available, the Legislature consider providing an additional \$1.7 million (\$628,000 General Funds) for this program for FY 2005.

## **2.7 Office Facility Rent Increases**

DCFS will see rent on its various regional offices and facilities increase by \$205,100 in FY 2005. The Division requests a building block of \$169,800, which is the General Fund share of the increased cost. These costs are spread over four program budgets in the Division. The Analyst recommends the Legislature consider this critical need as funds become available.

## **2.8 Legislative Intent Language**

The 2003 Legislature approved the following legislative intent language for DCFS regarding non-lapsing status of FY 2004 adoption assistance funding:

*Use of non-lapsing  
adoption assistance  
funding from FY 2004*

*“It is the intent of the Legislature that funds appropriated for the adoption assistance program in the Division of Child and Family Services not lapse at the end of FY 2004. It is further the intent of the Legislature that these funds be used for adoption assistance programs.”*

The Division already had non-lapsing authority for FY 2003 as approved by the 2002 Legislature in the FY 2003 Appropriations Act (S.B.1). This language continues this authority into FY 2004.

### 3.0 DCFS Issues and Data

#### **Court Oversight of DCFS Continues**

In February 1993, the National Center for Youth Law (NCYL) filed a civil rights complaint in U.S. District Court on behalf of all children reported as abused and neglected and all foster children in Utah. A four-year settlement was signed by Governor Leavitt and approved by the Court in 1994.

In August 1998, the Court allowed the four-year settlement to expire. Not being satisfied with progress made, the Judge required the Division to prepare a comprehensive plan to improve child protective services to a level satisfactory to both the court and the NCYL. The plan, known as “The Performance Milestone Plan,” was completed collaboratively with the Child Welfare Policy and Practice Group (CWPPG) of Montgomery, Alabama. The Court accepted it in 1999 and directed DCFS to regularly report on compliance and appointed the CWPPG to be the Court’s monitor.

The State appealed the court’s decision to continue its oversight of the Division to the 10<sup>th</sup> Circuit Court of Appeals in Denver. In March 2001, the Appeals Court decided DCFS must remain under the scrutiny of the federal courts and continue to meet compliance and reporting. The State appealed to the U.S. Supreme Court, but in October 2001 it refused to consider the appeal. In 2002, the Court, the plaintiffs and DCFS attempted to identify resources needed to bring DCFS closer to realizing the goals of the Milestone Plan. It was decided that the Division needed to substantially increase the number of caseworkers and its training process. Last year the Legislature appropriated \$1.9 million in additional state funds to DCFS for 51 additional caseworkers and trainers. To date, all have been hired by the Division and have completed initial, formal training. They will complete the mentoring portion of their training period by next summer, and then are expected to carry a full caseload.

#### **Current Status of Lawsuit**

The State continues to meet with the judge and the plaintiffs in attempts to make the requirements of the Milestone Plan more reasonable and attainable with the object of eventually discontinuing the court’s oversight. On December 8, 2003, another meeting was held with Judge Campbell and the plaintiffs. The judge requested DCFS within two years to either complete the items in the Milestone Plan, with any agreed stipulations for trimming the plan, or to bring reasons why it is not possible. Stipulations for trimming the Plan are to be submitted to the judge within five months. Another status conference is set for June, 2004.

#### **Payments to plaintiff attorneys and costs of court monitoring now total over \$4.5 million.**

In 2002, the Federal Court ordered the Division to pay over \$1.1 million for attorney fees to the National Center for Youth Law, the original plaintiff in the David C. lawsuit. Another \$234,507 was paid in FY 2003. Court monitors and related costs come to another \$2.5 million. To date, the Division has paid out over \$4.5 million for costs related to the David C. lawsuit, as shown in the following table.

**PAYMENTS FOR PLAINTIFF ATTORNEY FEES,  
LEGAL AND COURT COMPLIANCE COSTS**

**(Does not include legal defense costs through Attorney General's Office)**

Fiscal Year	Plaintiff Attorney	Court Monitor *	Monitoring Panel	Milestone** Coordination	TOTAL
1995	\$636,000		\$59,765		\$695,765
1996			195,973		195,973
1997			121,252		121,252
1998			447,547		447,547
1999		162,812			162,812
2000		284,948			284,948
2001		407,903			407,903
2002	1,118,996	334,929			1,453,925
2003	234,507	264,582		262,711	761,800
Totals	\$1,989,503	\$1,455,174	\$824,537	\$262,711	\$4,531,925

\* Does not include cost of developing the Practice Model training. This would be an additional \$362,038 paid to the CWPPG.

\*\* Cost of DCFS staff hired to oversee and monitor Milestone Plan compliance.

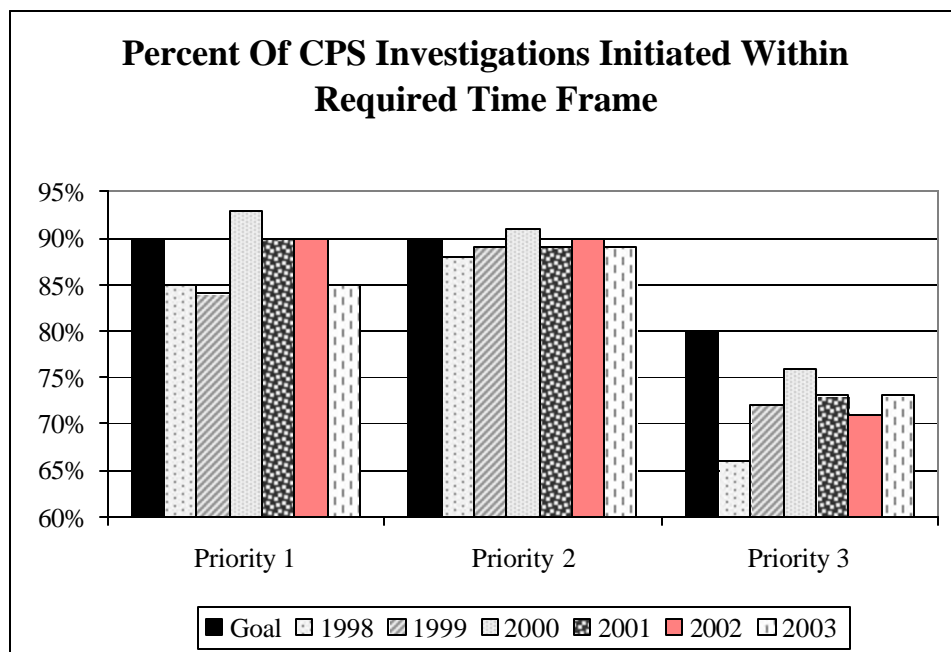
Source: Department of Human Services

**Performance Measures**

While the Division will report in more detail on performance and outcome measures, including its statutorily required "Outcome Measures Report," the Analyst has chosen several measures to highlight in this report. Performance measures used in DCFS generally try to measure how well the State is protecting children and providing necessary care and treatment.

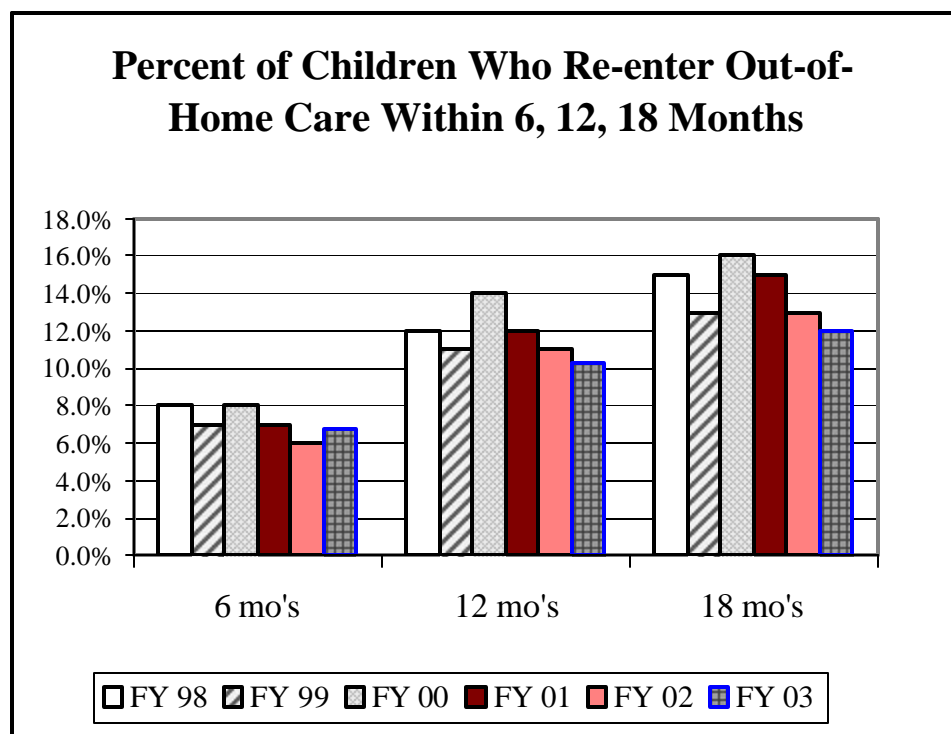
*Response time to alleged abuse cases*

The first chart depicts the Division's response time to reported cases of child abuse and neglect. Priority one, referring to children who were at high risk of danger, must be investigated within one hour of referral. Priority two cases, where children are at a lesser risk of danger, must be investigated within 24 hours. Priority three referrals must be seen within 72 hours. These are cases where there is no immediate risk to a child's safety. The chart shows that response time to priority one has dropped down to 85 percent, which is the same as in 1998, and below the goal of 90 percent. Response time to priority two cases are at 89 percent, just below the goal of 90 percent. In priority three cases, the goal of timely investigations was met 73 percent of the time.



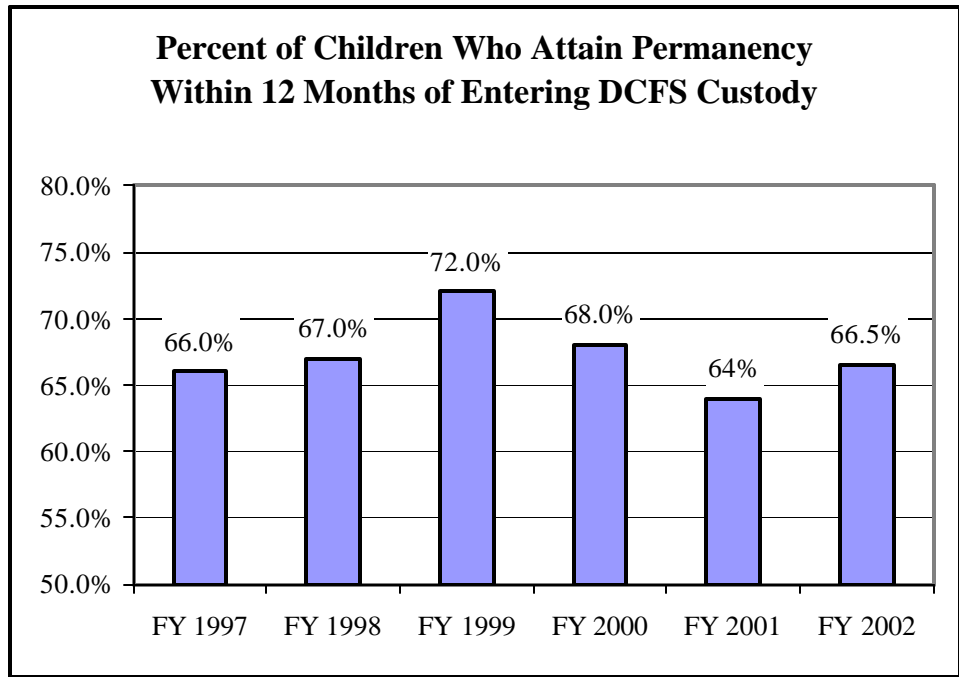
*Children once in custody reentering custody*

The second chart is an indication of the quality and appropriateness of services provided children and their families. After children leave State custody, they are tracked for recidivism. The following chart depicts the percent of children who reenter State care after six, 12 and 18 months. The chart shows that for the fourth year in a row, recidivism in both the 12 and 18 month categories have dropped. In the six month time period, recidivism is slightly up.



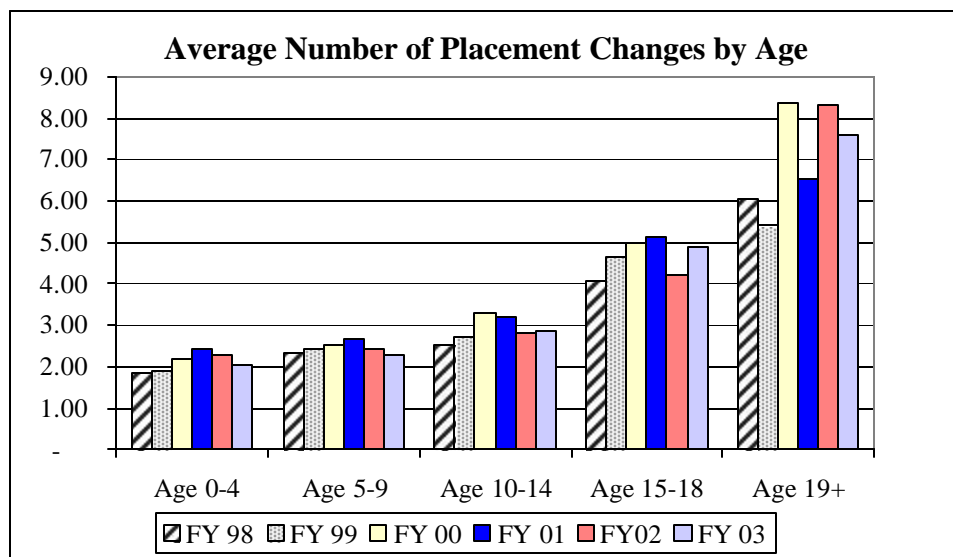
*Number of children attaining permanency within 12-months of entering state custody*

In FY 2003, new cases of children coming into state custody totaled 1,760. This is slightly lower than the 1,786 in FY 2002, but significantly below the FY 2000 number of 2,119. One of the Division's goals is to create a permanent situation for children in custody within 12 months of entering State care. Approximately 70 percent of all children attaining permanency return to their homes or to relatives. The following chart shows that the percentage of children attaining permanency within 12 months rose in FY 2002, after falling in the prior two years.



*Number of placements experienced by children in State custody*

Another goal of the Division is to reduce the number of placement changes children experience while in custody. The following chart shows the number of placements per custody episode. It shows that over the past 6 years, the number of placements experienced by children while in state custody, in three of the five age groups, fell slightly in FY 2003 and rose slightly in the 10 to 18 years old age groups.



### Federal Funding Match Changes

The Federal Medical Assistance Percentage (FMAP) match rate effective for State FY 2005 is changing from 71.60 percent to 72.01 percent. This is the third year in a row that the federal share of federal Title XIX (Medicaid) and Title IV-E expenditures actually has increased. As a result, the Division will see \$163,500 of General Funds “freed up” in the following programs:

	Title <u>IVE</u>	Title <u>XIX</u>
Special Needs	\$1,100	\$0
Service Delivery (case workers)	0	49,000
Out of Home Services	17,800	65,000
Adoption Assistance	30,500	0
Facility Based	<u>100</u>	<u>0</u>
<b>TOTALS</b>	<b>\$49,500</b>	<b>\$114,000</b>

### TANF Transfers

During the last three sessions, the Legislature has approved transfers of TANF (Temporary Assistance to Needy Families) “rainy day” funds to the SSBG (Social Services Block Grant), totaling \$1,804,800 in DCFS, to fund a variety of needs. The 2003 Legislature appropriated \$5,307,000 to DCFS from TANF transfers to the SSBG, which is the entire amount transferred to the Department. The TANF program expired in 2002 and Congress has not yet reauthorized it; however, it is functioning on a current continuing resolution through March 2004. It is expected that the total amount of transfers that can be made during the FY 2005 budget year will be same as the total in previous years. TANF transfers are budgeted in the following division programs:

Administration	\$1,267,800
Service Delivery	1,683,300
Facility Based Services	1,005,200
Domestic Violence	422,500
Child Welfare MIS	<u>928,200</u>
<b>TOTAL</b>	<b>\$5,307,000</b>

### 3.1 DCFS Administration

#### Recommendation

The Fiscal Analyst recommends an FY 2005 budget for DCFS Administration totaling approximately \$3.3 million, including \$712,200 from the General Fund. This recommendation reflects the consolidation of human resources staff into the Executive Director's Office (EDO) with a transfer of 1.0 FTE and \$28,500 (\$22,800 General Fund).

	2003 Actual	2004 Estimated*	2005 Analyst	Est/Analyst Difference
<b>Financing</b>				
General Fund	\$706,900	\$735,000	\$712,200	(\$22,800)
General Fund, One-time		1,800		(1,800)
Federal Funds	2,572,300	2,585,700	2,573,800	(11,900)
Dedicated Credits Revenue	107,400			
Transfers - H - Medical Assistance	37,500	37,800	37,700	(100)
<b>Total</b>	<u>\$3,424,100</u>	<u>\$3,360,300</u>	<u>\$3,323,700</u>	<u>(\$36,600)</u>
<b>Expenditures</b>				
Personal Services	\$2,125,900	\$2,302,600	\$2,266,000	(\$36,600)
In-State Travel	19,000	27,000	27,000	
Out of State Travel	27,000	25,200	25,200	
Current Expense	1,144,900	995,200	995,200	
DP Current Expense	107,300	10,300	10,300	
<b>Total</b>	<u>\$3,424,100</u>	<u>\$3,360,300</u>	<u>\$3,323,700</u>	<u>(\$36,600)</u>
<b>FTE/Other</b>				
Total FTE	38	40	39	(1)

\*Non-state funds as estimated by agency

#### Purpose

The Division's State Administrative Office directs the service delivery system for Child Welfare and Domestic Violence programs across the state. The State Office oversees the division budgetary procedures and controls, secures federal, state and other funds, monitors and evaluates service delivery, and develops plans.

### 3.2 Service Delivery

#### Recommendation

The Analyst recommends an FY 2005 appropriation of approximately \$58.0 million, including \$27.7 million from the General Fund. This recommendation reflects the consolidation of human resources staff into the Executive Director's Office (EDO) with a transfer of 8.5 FTEs and \$417,000 (\$334,000 General Fund). It also includes the transfer of \$16,000 to the Divisions "Minor Grant" program as a match for a new federal grant.

	2003	2004	2005	Est/Analyst
<b>Financing</b>	<b>Actual</b>	<b>Estimated*</b>	<b>Analyst</b>	<b>Difference</b>
General Fund	\$25,994,900	\$28,055,000	\$27,705,000	(\$350,000)
General Fund, One-time		70,300		(70,300)
Federal Funds	18,482,900	22,267,100	22,138,100	(129,000)
Dedicated Credits Revenue	7,500	9,600	9,600	
Transfers - H - Medical Assistance	8,441,300	8,176,300	8,157,400	(18,900)
Lapsing Balance	1,343,800			
<b>Total</b>	<b>\$54,270,400</b>	<b>\$58,578,300</b>	<b>\$58,010,100</b>	<b>(\$568,200)</b>
<b>Expenditures</b>				
Personal Services	\$41,425,900	\$44,533,700	\$43,981,500	(\$552,200)
In-State Travel	558,200	618,200	618,200	
Out of State Travel	6,800	13,700	13,700	
Current Expense	11,220,000	12,194,600	12,178,600	(16,000)
DP Current Expense	86,100	97,100	97,100	
Other Charges/Pass Thru	973,400	1,121,000	1,121,000	
<b>Total</b>	<b>\$54,270,400</b>	<b>\$58,578,300</b>	<b>\$58,010,100</b>	<b>(\$568,200)</b>
<b>FTE/Other</b>				
Total FTE	855.0	923.3	914.8	(8.5)
Vehicles	186	186	186	0

\*Non-state funds as estimated by agency

**Purpose**

The regional offices of the division direct and deliver child welfare, youth, and domestic violence services. This budget includes funding for caseworkers, related staff, regional administrative personnel, and training. There are five regions: Northern, Eastern, Western, Southwestern, and Central (Salt Lake County).

**Rent Increases**

DCFS will see rent on its various regional offices and facilities increase by \$205,100 in FY 2005. The General Fund share of this increase is \$169,800. The Analyst recommends that the Legislature consider funding this critical need if funds become available.

**Differential  
Response to  
Domestic Violence  
Cases - Budget  
Request**

In order to try to reduce recidivism in domestic violence (DV) cases, the Division proposes to initiate a differential approach to handling DV cases. Not all such cases require a formal Child Protective Services investigation. The Division submitted a building block to GOPB to hire three additional DV social workers to work with the family and coordinate services with both the alleged perpetrator and the victim. The request was for \$177,900 (\$145,900 General Fund).

**Kinship Placement  
Support - Budget  
Request**

DCFS requested a budget increase of \$356,000 (\$291,900 General Fund) to hire six additional social workers who would coordinate support services to the extended family members who take in children removed from their homes (kinship placement). Services such as respite care, peer parenting, social support activities for youth, etc., would help prevent a disruption and placement in higher cost placements.

### 3.3 In-Home Services

#### Recommendation

The Fiscal Analyst recommends an FY 2005 budget for In-Home Services totaling approximately \$1.9 million, all from the General Fund.

	2003	2004	2005	Est/Analyst
Financing	Actual	Estimated*	Analyst	Difference
General Fund	1,925,700	1,925,700	1,925,700	
Lapsing Balance	(201,700)			
<b>Total</b>	<b>\$1,724,000</b>	<b>\$1,925,700</b>	<b>\$1,925,700</b>	<b>\$0</b>
<b>Expenditures</b>				
In-State Travel	\$1,400	\$0	\$0	\$0
Current Expense	277,900	157,800	157,800	
Other Charges/Pass Thru	1,444,700	1,767,900	1,767,900	
<b>Total</b>	<b>\$1,724,000</b>	<b>\$1,925,700</b>	<b>\$1,925,700</b>	<b>\$0</b>
<b>FTE/Other</b>				

\*Non-state funds as estimated by agency

#### Purpose

This program provides various services focusing on protecting children while supporting, strengthening and preserving their families. These services are designed to allow children to stay in their homes or facilitate their return to their natural families. In FY 2003, the Division provided services to 11,200 children in their homes. Services include:

- ▶ *Homemaker Services*: Provides short-term assistance to parents unable to provide basic care and homemaking needed for the well being of a child.
- ▶ *Youth Advocate Program*: Works one-on-one with youth who have been neglected or abused, and who are at risk of becoming delinquent or ungovernable.
- ▶ *In-Home Services*: Makes resources available to a family when less structured intervention is needed to prevent disruption of the family.
- ▶ *Parenting Skills Training*: Provides classes that teach appropriate communication and discipline skills.
- ▶ *Protective Day Care*: Provides day care for children at risk of abuse or neglect if left at home during the day.
- ▶ *Sexual Abuse Treatment Services*: Provides assessment and treatment to sexually abused children and their families. Also provides treatment for sexually reactive children and juvenile perpetrators who have been identified by DCFS as sex abuse victims.

- *Day Treatment Services:* This program provides therapeutic management services for emotionally and behaviorally disturbed children and adolescents. Services include education, therapy, crisis management, social skills training, recreational services, and daily living skills.

### 3.4 Out-of-Home Care

#### Recommendation

The Fiscal Analyst recommends an FY 2005 budget for Out-of-Home Care totaling approximately \$28.9 million, including \$15.4 million from the General Fund.

	2003 Actual	2004 Estimated*	2005 Analyst	Est/Analyst Difference
<b>Financing</b>				
General Fund	\$15,503,100	\$15,443,500	\$15,443,500	\$0
Federal Funds	3,109,400	2,958,500	2,958,500	
Dedicated Credits Revenue	1,520,200	1,368,000	1,368,000	
Transfers - H - Medical Assistance	10,073,700	9,151,400	9,151,400	
Transfers - Other Agencies	213,600			
Lapsing Balance	(1,436,700)			
<b>Total</b>	<b>\$28,983,300</b>	<b>\$28,921,400</b>	<b>\$28,921,400</b>	<b>\$0</b>
<b>Expenditures</b>				
Out of State Travel	\$700	\$0	\$0	\$0
Current Expense	53,900	64,600	64,600	
Other Charges/Pass Thru	28,928,700	28,856,800	28,856,800	
<b>Total</b>	<b>\$28,983,300</b>	<b>\$28,921,400</b>	<b>\$28,921,400</b>	<b>\$0</b>
<b>FTE/Other</b>				

\*Non-state funds as estimated by agency

#### Purpose

This program provides care for children placed in foster care and other residential programs. There are three levels of foster care: basic, specialized, and structured. In FY 2003, the Division provided foster care, including institutional care, to 3,678 children. As of December, 2003, there were 2,022 children in foster care.

Contracts for residential programs include “wrap around” services such as medical and mental health services, career skills development, counseling, etc. The Division experienced a significant increase in the number of children in custody requiring high cost residential treatment in 1999, reaching 582 in December of 1999. Since then, the Division, as part of a budgetary control effort, reduced those placements to under 380 in 2000. Since then, the number has been rising again. Currently there are 425 such placements.

The Division is requesting an FY 2005 increase in this budget of \$578,500 (\$336,700 General Fund). This request is driven by rising number of children in State custody placed in foster care or other higher priced institutional care. The Analyst recommends the Legislature consider this critical need and provides funding as funds become available.

### 3.5 Facility Based Services

#### Recommendation

The Fiscal Analyst recommends an FY 2005 budget for Facility Based Services totaling approximately \$3.6 million, including \$2.5 million from the General Fund.

	2003 Actual	2004 Estimated*	2005 Analyst	Est/Analyst Difference
<b>Financing</b>				
General Fund	\$2,606,600	\$2,548,600	\$2,548,600	\$0
General Fund, One-time		1,800		(1,800)
Federal Funds	1,036,900	1,030,800	1,030,100	(700)
Dedicated Credits Revenue	4,500	3,500	3,500	
Lapsing Balance	(100)			
<b>Total</b>	<u>\$3,647,900</u>	<u>\$3,584,700</u>	<u>\$3,582,200</u>	<u>(\$2,500)</u>
<b>Expenditures</b>				
Personal Services	\$710,900	\$686,500	\$684,000	(\$2,500)
In-State Travel	1,100	1,900	1,900	
Current Expense	101,100	112,800	112,800	
DP Current Expense	200			
Other Charges/Pass Thru	2,834,600	2,783,500	2,783,500	
<b>Total</b>	<u>\$3,647,900</u>	<u>\$3,584,700</u>	<u>\$3,582,200</u>	<u>(\$2,500)</u>
<b>FTE/Other</b>				
Total FTE	27	26	26	0
Vehicles	2	2	2	0

\*Non-state funds as estimated by agency

#### Purpose

Facility Based services include short term shelter services, crisis host homes, and other short-term shelter services for abused, neglected, and dependent children and youth, such as the Christmas Box House in Salt Lake County. This program covers the cost of such services provided directly by the Region or through contracts with private providers. The "Youth Services" function and budgets were transferred to the Division of Youth Corrections in FY 2003 as a result of S.B.12 in the 2002 General Session.

Ten crisis nurseries, in part funded through contracts with DCFS, are found statewide and allow parents, who feel that they might injure a child due to a crisis, to place the child at the center while the parents resolve the crisis. These centers are available 24 hours a day, 7 days a week. Centers are currently operating in Logan, Midvale, Salt Lake City (Sugarhouse), Ogden, Clearfield, Orem, Brigham City, Roosevelt, Cedar City and St. George.

### 3.6 Minor Grants

The Fiscal Analyst recommends about \$4.6 million (\$1.4 million General Fund) for the FY 2005 budget. This recommendation includes the transfer of \$16,000 General Funds from the Division's "Service Delivery" budget for the State match of a newly awarded federal "Education and Training Voucher Grant."

	2003	2004	2005	Est/Analyst
<b>Financing</b>	<b>Actual</b>	<b>Estimated*</b>	<b>Analyst</b>	<b>Difference</b>
General Fund	\$1,292,200	\$1,388,000	\$1,404,000	\$16,000
General Fund, One-time		1,400		(1,400)
Federal Funds	3,026,600	3,180,200	3,240,900	60,700
Lapsing Balance	(112,200)			
<b>Total</b>	<b>\$4,206,600</b>	<b>\$4,569,600</b>	<b>\$4,644,900</b>	<b>\$75,300</b>
<b>Expenditures</b>				
Personal Services	\$1,431,200	\$1,580,000	\$1,575,300	(\$4,700)
In-State Travel	18,900	14,300	14,300	
Out of State Travel	8,500	800	800	
Current Expense	491,700	387,400	387,400	
DP Current Expense	15,200	9,600	9,600	
Other Charges/Pass Thru	2,241,100	2,577,500	2,657,500	80,000
<b>Total</b>	<b>\$4,206,600</b>	<b>\$4,569,600</b>	<b>\$4,644,900</b>	<b>\$75,300</b>
<b>FTE/Other</b>				
Total FTE	30	35	35	(0)

\*Non-state funds as estimated by agency

#### Purpose

Minor Grants refer to the small grants awarded DCFS, as opposed to the major grants such as Titles IV-E, IV-B, XIX, and SSBG. These minor grants are usually administered by the program manager at the state office, rather than by the regions. Currently, these grants are the Child Abuse Prevention and Treatment Act grants, Promoting Safe and Stable Families, and Independent Living grants.

- *Child Abuse Prevention and Treatment Act (CAPTA) Grants:* The purpose of the CAPTA basic state grant is to assist the State in improving the child protective services system. Nine areas of improvement are identified in the Act, from which the State must select one or more to target specific grant activities. There is also the Community-Based Family Resource and Support Program Grant authorized through CAPTA - Title II. The purpose of this grant is to support state efforts to develop, operate, expand, and enhance a network of community-based, prevention-focused, family resource and support programs. These programs coordinate resources among existing public and private organizations. Current grant funding provides for community development positions and supports a statewide conference on child abuse and neglect.

- ▶ *Safe and Stable Family grants (Authorized through Title IV-B, Part II, of the Social Security Act):* These funds provide family preservation, family support, time-limited family reunification efforts, and adoption promotion and support services. Ten family support projects have been funded in communities throughout the state. DCFS regions provide family preservation, reunification, and adoption support services.
- ▶ *Independent Living:* The Independent Living program assists youth 16 years and older to learn self-sufficiency skills. Some funds are used for stipends to help youth support themselves while living on their own and participating in the independent living program.

### 3.7 Selected Programs

#### Recommendation

The Analyst recommends a base FY 2005 operating budget for this program totaling \$3.6 million, mostly federal funds. This is the same amount as the current FY 2004 estimated budget.

	2003	2004	2005	Est/Analyst
<b>Financing</b>	<b>Actual</b>	<b>Estimated*</b>	<b>Analyst</b>	<b>Difference</b>
Federal Funds	\$2,142,900	\$3,437,500	\$3,437,500	\$0
Dedicated Credits Revenue	20,600	20,500	20,500	
Transfers - Other Agencies	105,000	105,000	105,000	
Lapsing Balance	(20,800)			
<b>Total</b>	<b>\$2,247,700</b>	<b>\$3,563,000</b>	<b>\$3,563,000</b>	<b>\$0</b>
<b>Expenditures</b>				
In-State Travel	\$300	\$0	\$0	\$0
Out of State Travel	1,100			
Current Expense	1,179,900	1,528,500	1,528,500	
Other Charges/Pass Thru	1,066,400	2,034,500	2,034,500	
<b>Total</b>	<b>\$2,247,700</b>	<b>\$3,563,000</b>	<b>\$3,563,000</b>	<b>\$0</b>
<b>FTE/Other</b>				
*Non-state funds as estimated by agency				

#### Purpose

Some services previously funded in this program have been shifted to other programs in DCFS. The selected programs remaining in this budget include:

- ▶ *Masters of Social Work (U of U):* The Division has a contract with the University of Utah where the U of U provides the State funding match and Division draws down the Title IV-E federal funds for some salaries and costs associated with the U of U MSW (Master of Social Work) program. This also includes a number of student stipends.
- ▶ *Attorney General Services:* The Division has an agreement with the State Attorney General to pay for legal costs incurred in behalf of children in DCFS service. The AG Office provides the state match for the federal Title IV-E share that comes through the Division budget.

- *Drug Court grant:* In FY 2001, the Salt Lake Region of DCFS received a \$105,000 grant from the Division of Substance Abuse for a local dependency drug court program. The grant is continuing in the current FY2004, and is expected to continue into FY2005. The funds are used for direct treatment, testing and case management of individuals who are also involved with DCFS.

### 3.8 Special Needs

#### Recommendation

The Fiscal Analyst recommends a base FY 2005 budget for this program totaling approximately \$1.8 million, with the majority coming from the General Fund. This is the same as the current FY 2004 estimated budget.

	2003 Actual	2004 Estimated*	2005 Analyst	Est/Analyst Difference
<b>Financing</b>				
General Fund	\$1,594,500	\$1,564,800	\$1,564,800	\$0
Federal Funds	448,500	187,500	187,500	
Transfers - Other Agencies	35,000			
Lapsing Balance	(173,600)			
<b>Total</b>	<u>\$1,904,400</u>	<u>\$1,752,300</u>	<u>\$1,752,300</u>	<u>\$0</u>
<b>Expenditures</b>				
In-State Travel	\$6,900	\$0	\$0	\$0
Current Expense	799,300	619,700	619,700	
Other Charges/Pass Thru	1,098,200	1,132,600	1,132,600	
<b>Total</b>	<u>\$1,904,400</u>	<u>\$1,752,300</u>	<u>\$1,752,300</u>	<u>\$0</u>
<b>FTE/Other</b>				
*Non-state funds as estimated by agency				

#### Purpose

This program provides for special needs of children placed in foster homes and other out of home care situation. Special needs might include transportation, special clothing allowances, music lessons, special equipment, baby needs, additional clothing allowance (usually for teens), Christmas gifts, recreation needs, and school expenses (such as yearbook, locker fees, school pictures, tutors, etc). It also includes miscellaneous expenses that DCFS is ordered by the courts to pay for foster children's needs or their parents. This includes interpreter services, long-distance phone calls to facilitate reunification, drug/alcohol screening and treatment for parents, and psychological evaluations of parents. State appropriated funds allow approximately \$518 per child per year for these purposes. Federal Title IV-E funds pay for some transportation costs of eligible children in custody and for some special needs categories.

### 3.9 Domestic Violence

The Fiscal Analyst recommends an FY 2005 budget for the Domestic Violence program totaling approximately \$5.1 million, including about \$2.9 million from the General Fund. The Analyst recommendation includes an increase in the appropriation from the Domestic Violence Services Account (General Fund Restricted) by \$50,000, to \$700,000.

	2003	2004	2005	Est/Analyst
<b>Financing</b>	<b>Actual</b>	<b>Estimated*</b>	<b>Analyst</b>	<b>Difference</b>
General Fund	\$3,012,700	\$2,948,300	\$2,948,300	\$0
General Fund, One-time		3,700		(3,700)
Federal Funds	1,456,400	1,469,000	1,466,500	(2,500)
Dedicated Credits Revenue	3,000			
GFR - Domestic Violence	650,000	650,000	700,000	50,000
Lapsing Balance	(229,200)			
<b>Total</b>	<b>\$4,892,900</b>	<b>\$5,071,000</b>	<b>\$5,114,800</b>	<b>\$43,800</b>
<b>Expenditures</b>				
Personal Services	\$1,859,700	\$1,840,500	\$1,834,300	(\$6,200)
In-State Travel	16,100	20,400	20,400	
Out of State Travel	1,300	1,200	1,200	
Current Expense	129,300	142,900	142,900	
DP Current Expense	1,300	6,000	6,000	
Other Charges/Pass Thru	2,885,200	3,060,000	3,110,000	50,000
<b>Total</b>	<b>\$4,892,900</b>	<b>\$5,071,000</b>	<b>\$5,114,800</b>	<b>\$43,800</b>
<b>FTE/Other</b>				
Total FTE	39	40	40	0
Vehicles	1	1	1	0

\*Non-state funds as estimated by agency

#### Purpose

The Division is charged to provide domestic violence services as follows:

- ▶ *Domestic Violence Outpatient Services* provide treatment to court ordered and voluntary domestic violence perpetrators, victims of domestic violence and child witnesses of domestic violence. This program is funded from the Victims of Domestic Violence Services Account whose revenues come from surcharges on criminal fines, penalties and forfeitures imposed by the courts.

- *Family Violence Shelters* provide abused adults and their children with a safe short-term refuge. While there, shelter staff can help them assess their situation and evaluate available options to end the abuse. They are also given an opportunity to participate in groups with other battered individuals and to deal with issues of self-esteem and self-sufficiency. There are 16 domestic violence shelters operating in a little over half of the State's 29 counties. Available services vary from shelter to shelter. Some of the services provided include 24-hour crisis hot line, a 24-hour mobile crisis team, adult and child support groups, rape crisis intervention, education and training, assistance with protective orders, court advocacy, household goods assistance, bilingual services, transportation, child care and information and referral. While the State does not itself operate any shelters, DCFS contracts for services with such shelters as Salt Lake's YWCA program.

#### **Victims of Domestic Violence Services Account**

This General Fund Restricted Account receives four percent of surcharges paid on all criminal fines, penalties and forfeitures. The current FY 2004 appropriation from this fund is \$650,000. Actual collections in FY 2003 were \$602,571. The funds are used to augment General Fund appropriations in the Division. It requests the appropriation be raised to \$700,000 for FY 2005, which is included in the Analyst's recommendation.

#### **Domestic Violence Services Funding for the Eastern Region Request**

The Division requested \$71,100 (General Fund) to increase the availability of treatment services for victims and perpetrators of domestic violence (DV) in the eastern part of the State. These funds would provide treatment for 65 women and children victims of DV and 40 perpetrators. Currently, services have been limited to group session and a very limited individual treatment. There have, at times, been waiting lists for services.

### **3.10 Children's Trust Account**

#### **Recommendation**

The Fiscal Analyst recommends an appropriation of \$400,000 from the Children's Trust Account for this program for FY 2005. This is an increase of \$50,000 from the FY 2004 appropriation.

	2003	2004	2005	Est/Analyst
<b>Financing</b>	<b>Actual</b>	<b>Estimated*</b>	<b>Analyst</b>	<b>Difference</b>
GFR - Children's Trust	\$350,000	\$350,000	\$400,000	\$50,000
Lapsing Balance	(22,700)			
<b>Total</b>	<b>\$327,300</b>	<b>\$350,000</b>	<b>\$400,000</b>	<b>\$50,000</b>
<b>Expenditures</b>				
Current Expense	\$1,500	\$0	\$0	\$0
Other Charges/Pass Thru	325,800	350,000	400,000	50,000
<b>Total</b>	<b>\$327,300</b>	<b>\$350,000</b>	<b>\$400,000</b>	<b>\$50,000</b>
<b>FTE/Other</b>				
*Non-state funds as estimated by agency				

**Purpose**

The Children's Trust Account was established by the Legislature in 1986. The legislation placed a \$3.00 surcharge on birth certificates to be used for child abuse prevention programs. Each year, the Child Abuse and Neglect Council receive proposals and awards grants, which require a dollar for dollar match by the sponsoring organizations (schools, church groups, communities, etc). In FY 2002, the fund received about \$339,500. At the beginning of FY 2003, there was a beginning balance in the fund of about \$245,700. Actual collections for FY 2003 totaled \$372,305.

**3.11 Adoption Assistance****Recommendation**

The Fiscal Analyst recommends an FY 2005 budget for Adoption Assistance Services totaling approximately \$11.3 million, including \$6.2 million from the General Fund. The \$763,000 non-lapsing carry-forward balance from FY 2003 will be used to fund increases in adoption subsidies in the current fiscal year. It is expected that there will be a non-lapsing carry-forward balance from the end of FY 2004 of \$238,700, which will be used to partially cover the cost of caseload increases in FY 2005.

	2003 Actual	2004 Estimated*	2005 Analyst	Est/Analyst Difference
<b>Financing</b>				
General Fund	\$4,414,500	\$6,168,900	\$6,168,900	\$0
Federal Funds	5,034,400	5,322,900	5,322,900	
Transfers - H - Medical Assistance	(260,000)	(454,400)	(454,400)	
Beginning Nonlapsing	1,963,400	763,000	238,700	(524,300)
Closing Nonlapsing	(763,000)	(238,700)		238,700
<b>Total</b>	<u>\$10,389,300</u>	<u>\$11,561,700</u>	<u>\$11,276,100</u>	<u>(\$285,600)</u>
<b>Expenditures</b>				
Current Expense	\$300	\$0	\$0	\$0
Other Charges/Pass Thru	10,389,000	11,561,700	11,276,100	(285,600)
<b>Total</b>	<u>\$10,389,300</u>	<u>\$11,561,700</u>	<u>\$11,276,100</u>	<u>(\$285,600)</u>
<b>FTE/Other</b>				

\*Non-state funds as estimated by agency

**Purpose**

The State makes available several forms of financial assistance to families adopting children from State custody: 1) One-time assistance for legal costs; 2) Medicaid card for the child; 3) Monthly adoption subsidies; and 4) Supplemental, special needs subsidies, for out-of-home placement care, specialized therapy, dental and medical care not covered by the Medicaid card, and other occasional needs. Subsidies are also available for Guardianship cases.

**Adoption Assistance  
Building Block**

The Division requests an increase of \$628,000 (General Fund) in FY 2005. This, along with the expected FY 2004 carry-forward balance, will fund the increased growth of at least 330 additional cases for the next fiscal year. The Fiscal Analyst recommends the Legislature consider this critical need if funds become available.

**Department Request  
for Post Adoption  
Support**

DCFS has requested funds to hire six additional social workers to provide periodic services reviews, monitor their adequacies, their appropriateness, and whether they are still needed. The Division could potentially realize some cost savings in the long run. Currently, these services are only reviewed through Medicaid and regional utilization committees. The request is for \$369,500 (\$303,000 General Funds).

**3.12 Child Welfare MIS**

**Recommendation**

The Fiscal Analyst recommends an FY 2005 budget for operation of the Child Welfare Management Information System (SAFE) totaling approximately \$4.8 million, including \$2.4 million from the General Fund.

	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>Est/Analyst</b>
<b>Financing</b>	<b>Actual</b>	<b>Estimated*</b>	<b>Analyst</b>	<b>Difference</b>
General Fund	\$2,437,000	\$2,404,400	\$2,404,400	\$0
General Fund, One-time		1,000		(1,000)
Federal Funds	1,888,500	2,416,300	2,414,800	(1,500)
Transfers - Other Agencies	36,600			
Beginning Nonlapsing	50,000			
Lapsing Balance	(100)			
<b>Total</b>	<b>\$4,412,000</b>	<b>\$4,821,700</b>	<b>\$4,819,200</b>	<b>(\$2,500)</b>
<b>Expenditures</b>				
Personal Services	\$905,600	\$969,600	\$967,100	(\$2,500)
In-State Travel	1,900	2,000	2,000	
Out of State Travel	1,100	2,500	2,500	
Current Expense	231,100	171,100	171,100	
DP Current Expense	3,267,100	3,676,500	3,676,500	
DP Capital Outlay	5,200			
<b>Total</b>	<b>\$4,412,000</b>	<b>\$4,821,700</b>	<b>\$4,819,200</b>	<b>(\$2,500)</b>
<b>FTE/Other</b>				
Total FTE	13	16	16	0

\*Non-state funds as estimated by agency

**Purpose**

The "SAFE" management information system provides statewide electronic case management. The system automatically develops service need lists, develops documents needed for foster care placements, maintains education and other case histories, electronically notifies caseworker of required actions and related time frames, and facilitates report creation. It also electronically connects with other systems such as ORSIS (Office of Recovery Services Information System) and USSDS (Unified Social Services Delivery System). It is the document of record for all child protective service cases. It provides data for division management and federal reports.

**4.0 Additional Information: Division of Child and Family Services****4.1 Funding History**

	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>
<b>Financing</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Estimated*</b>	<b>Analyst</b>
General Fund	\$62,886,900	\$64,798,500	\$59,488,100	\$63,182,200	\$62,825,400
General Fund, One-time				80,000	
Federal Funds	37,515,624	39,167,800	39,198,800	44,855,500	44,770,600
Dedicated Credits Revenue	2,340,174	2,267,800	1,663,200	1,401,600	1,401,600
GFR - Children's Trust	350,000	350,000	350,000	350,000	400,000
GFR - Domestic Violence	550,000	650,000	650,000	650,000	700,000
Transfers - H - Medical Assistance	17,379,438	18,931,900	18,292,500	16,911,100	16,892,100
Transfers - Other Agencies	1,164,179	1,307,500	390,200	105,000	105,000
Beginning Nonlapsing		994,600	2,013,400	763,000	238,700
Closing Nonlapsing	(994,600)	(2,013,400)	(763,000)	(238,700)	
Lapsing Balance	(5,196,384)	(1,776,600)	(853,300)		
<b>Total</b>	<b>\$115,995,331</b>	<b>\$124,678,100</b>	<b>\$120,429,900</b>	<b>\$128,059,700</b>	<b>\$127,333,400</b>
<b>Programs</b>					
Administration	\$4,000,945	\$3,317,200	\$3,424,100	\$3,360,300	\$3,323,700
Service Delivery	54,571,813	57,153,900	54,270,400	58,578,300	58,010,100
In-Home Services	1,725,543	1,889,100	1,724,000	1,925,700	1,925,700
Out-of-Home Care	28,155,837	29,922,900	28,983,300	28,921,400	28,921,400
Facility Based Services	5,194,240	5,584,000	3,647,900	3,584,700	3,582,200
Minor Grants	2,924,937	4,109,300	4,206,600	4,569,600	4,644,900
Selected Programs	3,103,550	3,952,700	2,247,700	3,563,000	3,563,000
Special Needs	1,536,625	1,764,000	1,904,400	1,752,300	1,752,300
Domestic Violence Services	4,281,092	4,842,300	4,892,900	5,071,000	5,114,800
Children's Trust Fund	315,829	320,000	327,300	350,000	400,000
Adoption Assistance	8,036,735	9,148,800	10,389,300	11,561,700	11,276,100
Child Welfare Management Information Syst	2,148,185	2,673,900	4,412,000	4,821,700	4,819,200
<b>Total</b>	<b>\$115,995,331</b>	<b>\$124,678,100</b>	<b>\$120,429,900</b>	<b>\$128,059,700</b>	<b>\$127,333,400</b>
<b>Expenditures</b>					
Personal Services	\$46,427,131	\$48,374,200	\$48,459,200	\$51,912,900	\$51,308,200
In-State Travel	617,352	689,100	623,800	683,800	683,800
Out of State Travel	113,367	51,500	46,500	43,400	43,400
Current Expense	14,003,703	17,350,300	15,630,900	16,374,600	16,358,600
DP Current Expense	4,054,627	3,813,900	3,477,200	3,799,500	3,799,500
DP Capital Outlay		78,500	5,200		
Capital Outlay		174,400			
Other Charges/Pass Thru	50,779,151	54,146,200	52,187,100	55,245,500	55,139,900
<b>Total</b>	<b>\$115,995,331</b>	<b>\$124,678,100</b>	<b>\$120,429,900</b>	<b>\$128,059,700</b>	<b>\$127,333,400</b>
<b>FTE/Other</b>					
Total FTE	1,004	1,040	1,002	1,080	1,070
Vehicles	139	161	189	189	189

\*Non-state funds as estimated by agency.

## 4.2 Federal Funds

Program	FY 2003 Actual	FY 2004 Authorized	FY 2005 Analyst
Title XX Soc. Svc Block Grant	\$3,060,600	\$6,808,600	\$6,808,600
General Funds	0	0	0
Totals for this grant/contract	\$3,060,600	\$6,808,600	\$6,808,600
Title IVB Child Welfare	\$3,275,000	\$3,275,000	\$3,275,000
General Funds	0	0	0
Totals for this grant/contract	\$3,275,000	\$3,275,000	\$3,275,000
Title IVE Foster Care	\$17,443,500	\$18,891,500	\$18,838,200
General Funds	13,151,200	13,540,500	13,487,600
Totals for this grant/contract	\$30,594,700	\$32,432,000	\$32,325,800
Child Abuse Prevention & Treatment	\$248,500	\$249,600	\$249,600
General Funds	0	0	0
Totals for this grant/contract	\$248,500	\$249,600	\$249,600
Foster Care Independence Program	\$472,500	\$551,000	\$551,000
General Funds	118,100	137,800	137,800
Totals for this grant/contract	\$590,600	\$688,800	\$688,800
Title IVE Adoptions	\$6,052,200	\$6,346,700	\$6,315,100
General Funds	3,081,100	3,216,100	3,073,000
Totals for this grant/contract	\$9,133,300	\$9,562,800	\$9,388,100
Chafee Educ. & Training Vouchers Prog	\$0	\$13,600	\$13,600
General Funds	0	3,400	3,400
Totals for this grant/contract	\$0	\$17,000	\$17,000
Family Violence Grant	\$1,033,900	\$1,046,500	\$1,046,500
General Funds	0	0	0
Totals for this grant/contract	\$1,033,900	\$1,046,500	\$1,046,500
Adoption Opportunities	\$87,500	\$70,000	\$70,000
General Funds	0	0	0
Totals for this grant/contract	\$87,500	\$70,000	\$70,000
From TANF to SSBG	\$5,307,000	\$5,307,000	\$5,307,000
General Funds	0	0	0
Totals for this grant/contract	\$5,307,000	\$5,307,000	\$5,307,000
Community-Based Family Resource	\$422,200	\$400,000	\$400,000
General Funds	105,600	100,000	100,000
Totals for this grant/contract	\$527,800	\$500,000	\$500,000
Adoption Incentive Grant	\$1,100	\$0	\$0
General Funds	0		
Totals for this grant/contract	\$1,100	\$0	\$0
Promoting Safe and Stable Families	\$1,794,800	\$1,896,000	\$1,896,000
General Funds	598,300	632,000	632,000
Totals for this grant/contract	\$2,393,100	\$2,528,000	\$2,528,000
<b>Total Federal Funds</b>	\$39,198,800	\$44,855,500	\$44,770,600
<b>Total State Funds</b>	17,054,300	17,629,800	17,433,800
<b>Total Funds</b>	\$56,253,100	\$62,485,300	\$62,204,400

**Future Impact of  
Current Federal  
Funds**

The future of the Social Services Block Grant is tenuous. It has been reduced significantly over the past few years and will possibly be reduced in the future. Although Congress has yet to reauthorize the grant, it is expected not to change significantly in the current session of Congress.

The State has been transferring TANF (Temporary Assistance for Needy Families) “surplus” funds for the past several years. There is currently budgeted \$5,307,000 of these transfers in the DCFS operating budget. The TANF program expired in 2002, and Congress has not yet reauthorized it; however, it is functioning on continuing resolutions. It is expected that the amount of transfers that can be made during the FY 2005 budget year will be the same as last year.